(a) whether attention of the Government has been drawn to the news-item captioned "HC notice to PNB over alleged scam" appearing in the *times of India* dated November 16, 1996;

(b) if so, the details thereof;

(c) whether the bank furnished the details of the Court;

(d) if so, the details thereof; and

(e) the action taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (e) Government have seen the news item referred to in the Question. The news item refers to a notice issued by the Delhi High Court on 15.11.1996 in respect of a Writ Petition filed by All India New Bank of India Employees Federation alleging certain financial irregularities. Punjab National Bank (PNB) has reported that in the light of directions given by the Delhi High Court, it has filed its reply in April, 1997 furnishing details of proceedings initiated and the action taken by the bank in respect of allegations made in the petition. The bank has also reported that the Petition is pending in the High Court and the matter is subjudice.

Long Time Outstanding Debit Entries

2703. SHRI RAM SAGAR: Will the Minister of FINANCE be pleased to state:

(a) the number of long outstanding debit entries in the inter-branch accounts and whether the inspectors were made responsible to make a special mention thereof in their inspection reports;

(b) if so, the number of long outstanding debit entries still outstanding in the inter-branch accounts of the banks and the time by which all these entries are likely to be sorted out;

(c) whether such unadjusted entries in inter-branch accounts were vulnerable to fraud and if so, any cases of frauds have taken place in this area; and

(d) it so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) According to Reserve Bank of India (RBI), the number of long outstanding debt entries upto 31.3.1996 in the inter-branch accounts of public sector banks (PSBs) as on 31st March, 1997 were 9.68 lakhs entries.

RBI further reported that while conducting annual financial inspection of public sector banks, their inspecting officers do look into the aspects relating to the pending entries in inter branch accounts and offer their comments.

In order to expedite reconciliation of long outstanding entries in inter branch accounts of PSBs, RBI had advised Chief Executives of all PSBs vide their communication dated 20.6.95 prescribing a time frame for adjusting the pending entries.

(c) and (d) According the RBI, unreconciled debit entries for a long time can be a fraud-prone area. It has been further stated by RBI that seven fraud cases involving Rs. 1 crore and above have been reported by banks from January, 1996. While in one case the entire amount has been recovered, in other cases complaints have been lodged by the bank with the police/CBI.

[Translation]

Better Services By Foreign Banks

2704. SHRI RAMENDRA KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether the foreign banks provide better services and higher rate of interest than the Indian Nationalised Banks; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) There are differences in the operations of foreign banks and Nationalised Banks on account of their size, the network of branches, the nature of services offered, the varied clientele, the location of branches, the levels of technology, recruitment pattern and other relevant consideration. As regards rate of interest, foreign banks operating in India have to offer/charge rates of interest on deposits/advances in conformity with the directives issued by Reserve Bank of India to all commercial banks.

[English]

Container Freight Station

2705. SHRI T. GOPAL KRISHNA: Will the Minister of COMMERCE be pleased to state:

(a) whether Government propose to develop container freight station for the Visakhapatnam Port Trust; and

(b) if so, the time by which the job is likely to be completed?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) Yes, Sir. An Inter-Ministerial Committee (IMC) is functioning to accord approvals for setting-up of Inland Container Depots (ICDs)/Container Freight Stations (CFSs) in the Country. The said IMC had cleared a proposal of the Central Warehousing Corporation (CWC) for setting-up of a CFS at Visakhapatnam Port. The CWC is going ahead with the construction within the port trust limits and it is expected that the facility could be ready during next year.

Export of Coffee

2706. SHRI N. DENNIS: Will the Minister of COMMERCE be pleased to state: